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DEPT FOR IO/T AND ISN/MNSA

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TAGS: [KNPP](#) [IAEA](#) [AORC](#) [PARM](#) [IR](#)

SUBJECT: IAEA/IRAN/BOG: CUBA AND IRAN VS. THE REST OF THE
WORLD AT MARCH BOARD OF GOVERNORS MEETING

REF: REF A) UNVIE 129 B) HALL-NEPHEW UNCLASS EMAIL
MARCH 4 2008

Classified By: Ambassador Gregory L. Schulte for reasons 1.4 b and d

Summary

1. (C) The March 5 Board of Governors deliberations on Iran's nuclear program stepped up pressure on Iran to comply with UNSC and Board requirements, and to address weaponization activities cited by the Director General. The DG delivered a typically balanced opening statement, regretting that Iran had not suspend its proliferation sensitive activities and adding that consistent implementation of the AP -- as well as resolution of concerns associated with "alleged studies" -- is necessary in order for Iran to begin to restore international confidence in the exclusively peaceful nature of Iran's nuclear program. Although Russia and China rejected a Board resolution, the P5 1 agreed to officially circulate the March 3 Ministerial statement on the adoption of UNSCR 1803.

2. (SBU) Ambassador Schulte delivered the U.S. statement in para 27. The EU-3, EU and other like-minded delegations (Canada, Australia, New Zealand, Japan, Norway, Argentina) delivered strong statements emphasizing continuing concerns with Iran's weaponization-related activities and the need for concrete assurances from the Secretariat on the exclusively peaceful nature of Iran's nuclear program. More than 22 Board members cited Iran's failure to abide by UN Security Council resolutions, and called on Iran to implement the AP. Eighteen members referenced the adoption of UNSCR 1803 as evidence of continued international concern over Iran's nuclear program. Most Board members acknowledged Iran's progress on the work plan but more than 24 interventions, including those of Russia, China, South Africa and several other NAM states, also cited the need for clarification of Iran's weaponization efforts. Cuba delivered an Iranian drafted NAM statement which touted completion of the work plan and return to routine inspections. South Africa in essence apologized for its vote on UNSCR 1803 while Venezuela rejected the resolution and Cuba called for return of the Iran file to Vienna. Several Arab states and Malaysia called for the establishment of a Middle East NWFZ and for a "balance" in dealing with Israel.

13. (SBU) Twenty eight of 35 Board members spoke as well as nine others, including Iran; among the Board, only Nigeria, Ethiopia, Ghana, Morocco, Pakistan, Saudi Arabia, and Bolivia declined to give statements. Iran delivered its expected diatribe against the U.S. and EU-3 and presented a list of U.S. allegations which turned out to be "baseless." Iran said the work plan was finished and safeguards now routine. The Chair's summary reflected all Board member comments. End Summary.

DG Opening Remarks

14. (C) In his opening statement, Director General ElBaradei took pains to make clear that Iran had provided some cooperation in addressing the issues on the IAEA-Iran work plan, such that the majority of issues are "no longer outstanding" and said this was "obviously encouraging." However, he stressed that there remains one major issue -- that of Iran's past "possible weaponization activities." The DG also made clear, contrary to Iranian and NAM assertions, that the Agency has been presenting Iran with information associated with the "alleged studies" since 2005 and that Iran had been confronted with some of these documents, starting in early 2006; some were available as recently as February 2008. The DG's narrow focus on the more public elements of the "alleged studies," without citing information that DDG Heinonen says the IAEA acquired on its own, was unhelpful, as was his statement that the Agency would continue to investigate the "authenticity" and substance of the "alleged studies."

15. (SBU) ElBaradei characterized as "regrettable" the fact that Iran has not suspended its proliferation-sensitive nuclear activities, as required by the UN Security Council and called for in IAEA Board of Governors' resolutions, and began testing of a new centrifuge design (the IR-2) with UF-6. Finally, the DG noted that Iran was not yet implementing the Additional Protocol (AP), and that full and consistent implementation of the AP -- as well as resolution of concerns associated with "alleged studies" -- is necessary in order for Iran to begin to restore international confidence in the exclusively peaceful nature of Iran's nuclear program.

Russia and China Kill Board Resolution

16. (C) The EU-3's efforts to sponsor a draft Board resolution met with Russian opposition, seconded by China. The EU-3 resolution (ref a) circulated to the other like-minded (U.S., Canada, Australia, Japan) on March 3 would have reasserted Board authority and supported the Secretariat's continued investigation of weaponization. The self-described "modest" draft hewed closely to the language of the DG report on "alleged studies." Speaking under instructions on March 4, Russian Governor Berdenenkov opposed a Board resolution at this juncture, arguing that the P5 1 PolDir's package (UNSCR 1803 plus the Ministerial Statement) should be given a chance to work. China agreed that a Board resolution would be unnecessarily confrontational. The EU-3 pushed back and left open the possibility of a Board resolution in June, which the Russians did not rule out. The P5 1 agreed to circulate the March 3 Ministerial statement, which includes references to Board requirements and serious concerns about "alleged studies," as an information document on the part of P5 1 Governors to the Board.

EU-3 Pull out All Stops

17. (C) The strong EU-3 statement was the product of behind-the-scenes wrangling to get Germany on board. The UK and France reportedly negotiated over night with Berlin, until an exasperated UK Ambassador Smith threatened to

deliver the text as a national statement on the part of the United Kingdom if Germany did not concur. The final EU-3 statement asserted robustly that Iran's record in complying with UNSC and Board requirements remains "abysmal." The EU-3 affirmed that if Iran's choice remains one of non-cooperation with the IAEA, they would "remain determined to demonstrate the costs and consequences of that choice."

¶18. (SBU) The EU-3 statement struck all the right chords, underlining that UNSCR 1803 reaffirmed strong support for the role of the IAEA Board of Governors, and the Secretariat in clarifying all outstanding issues; noting that the weaponization material came from a variety of sources, and that the IAEA has been seeking substantive responses on this issue for years; asserting the prerogative of the UNSC and the Board to deem if confidence in the exclusively peaceful nature of Iran's nuclear program has been established; casting Iran's dismissive responses to the alleged studies as "wholly unsatisfactory;" and calling on Iran to suspend nuclear activities as noted in UNSC and Board resolutions, and implement the AP and Code 3.1 of its Subsidiary Arrangement. The UK called attention to the use of "consistent" and "not inconsistent" in the DG's report and stated that "not inconsistent" also meant that Iran's answers were "not necessarily implausible but not necessarily the truth" and that the IAEA needs to continue to verify the correctness and completeness of all answers provided. It noted that the EU-3 and China, Russia, and the U.S. has asked the DG to circulate the March 3 P5 1 Ministerial Statement as an INFCIRC.

¶19. (SBU) The EU statement, read by Slovenia, highlighted concerns with Iran's disregard for the mandatory demands of the UNSC and IAEA Board of Governors, and called on Iran to suspend nuclear-related activities, and implement the AP and all provisions of the Comprehensive Safeguards Agreement. It welcomed the progress on the work plan issues, but affirmed

the continued need for the IAEA to seek corroboration and verification of the completeness of Iran's declarations. The EU remained seriously concerned that despite more than four years of intense efforts by the IAEA, it still was not in a position to determine the full nature of Iran's nuclear program, and the major remaining issue relevant to the nature of Iran's program was the alleged studies. The EU maintained this issue was critical to the assessment of a possible military dimension to Iran's nuclear program and urged Iran to engage actively with the IAEA with this regard. Both the EU and EU-3 statements recalled the conclusions adopted by the European Council in December 2007, whereby the EU reaffirmed its deep concern at Iran's nuclear program and underlined that "acquisition by Iran of a nuclear military capability would be unacceptable."

Russia and China Seek Clarification of Studies

¶10. (SBU) Both Russia and China delivered measured statements that welcomed progress but noted the remaining issue of the "studies." Russia cited Iran's intensified cooperation with the IAEA as exemplified by the beyond AP-like access and the clarification of almost all outstanding work plan issues. The statement underlined that the DG's report pointed to a number of problems, particularly the nature of Iran's nuclear program given the questions remaining about the alleged studies. Russia explained that the Secretariat has not yet undertaken a full-scale investigation of these studies, and that it should, as the DG stated, continue to clarify the authenticity of the information to the extent possible as well as the substantive portions. Russia encouraged Iran to carry out both IAEA Board of Governors and UNSC resolutions, suspend enrichment-related activities and implement the AP. Russia believed that UNSCR 1803 will help promote resolution of the Iran issue and recalled that the P5 1 Ministerial Statement showed a readiness of all countries to work with Iran for political and economic benefits.

¶11. (SBU) China's statement was stronger in specifically

mentioning that Iran has not yet clarified outstanding military-related issues. China also noted that Iran has not suspended enrichment and heavy water-related activities required by UNSCRs, and is developing new generation centrifuges. China welcomed the fact that Iran had clarified a number of outstanding issues and provided additional information similar to what it had done previously pursuant to the AP. However, China encouraged Iran to implement fully the relevant resolutions of the IAEA Board of Governors and the UNSC, strengthen cooperation with the IAEA, and implement the AP. The statement noted UNSCR 1803 and the P5 1 Ministerial Statement, which reflected both the concern of the international community and commitment to a diplomatic solution.

Like-minded Weigh In

¶12. (SBU) Like-minded delegations (Canada, Australia, Japan, New Zealand and Norway) also gave strong statements, largely focusing on Iran's failure to make a full disclosure to the IAEA of its past weaponization-related activities, the need for suspension, and the importance of Iranian implementation of the Additional Protocol and all required/requested transparency measures. Australia's statement was particularly helpful in underlining that the IAEA had been confronting Iran with its concerns on weaponization for years; that the UN Security Council had requested the Agency to pursue this investigation; and that Iran's failure to suspend absent any "apparent civilian purpose" further diminishes international confidence. Australia said it was "totally unacceptable for Iran to adopt a dismissive attitude about a matter of such grave concern." Canada observed that even though many issues have been deemed "no longer outstanding" by the Secretariat, the Director General's report stipulates that these issues also have linkages to the issue of weaponization. To that end, Canada called for a complete resolution of all the Agency's questions regarding these possible linkages to verify the nature of Iran's nuclear program.

¶13. (SBU) Though not necessarily like-minded, Switzerland's statement was an improvement over its November Board performance. Switzerland noted that Iran has not suspended enrichment and is developing a new generation centrifuges, and should reinstate AP measures, but did not cite UNSCRs and Board decisions. The Swiss statement referred to the IAEA's satisfaction with a substantial portion of the work plan, though it took longer than expected and Iran's cooperation was insufficient. Switzerland underlined that the Agency has yet to receive satisfactory answers on the "alleged studies," and called upon Iran to address them as soon as possible. The Swiss statement observed that the IAEA's use of member state information should be as transparent as possible, but also noted that Iran had not replied to information made available to it since 2005. Concluding that after five years, "this is a never ending soap opera," Switzerland called for a diplomatic solution.

GRULAC and Others Also Supportive

¶14. (SBU) Argentina, Mexico, and Chile underlined the need for Iranian compliance with UNSCRs and Board decisions as well as AP implementation. Argentina was particularly strong in calling this noncompliance "fundamental" and underscoring Iran's "duty" to build confidence in light of many years of undeclared activities. Argentina also called for clarification of studies on green salt, high explosives testing and missile reentry vehicles to assess a military dimension to Iran's program. Notably, Argentina avoided the term "alleged studies" and took positive note of the Secretariat's technical briefing. Chile called for Iran's

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cooperation on the "alleged studies" and endorsed the DG's

assertion that the documents be reviewed in detail. While acknowledging progress on the work plan, Mexico expressed concern with Iran's ad hoc cooperation and noted that "sensitive issues" were still outstanding. Mexico urged further Iran's active cooperation. While not denying NPT rights, Mexico affirmed states must ensure non-military use and objectively demonstrate their non-belligere intent.

¶15. (SBU) Brazil's statement was weaker than its GRULAC counterparts. Brazil was more welcoming of the resolution of outstanding issues, though it still urged Iran to provide information on the "alleged studies." The statement did not mention UNSCRs, suspension or the AP but called upon Iran to provide regular and systematic access to build confidence. As during the November Board, Ecuador notably diverged from the NAM and made a measured intervention. Ecuador shared optimism on work plan progress but urged Iran to address fundamentally important questions on the military nature of its nuclear program. Ecuador explicitly thanked DDG Heinonen for the technical briefing and agreed with the DG that the Agency must shed light on the authenticity and substance of "alleged studies." As in November, Ecuador also underscored compliance with binding UNSCRs as well as Board resolutions.

¶16. (SBU) Although they associated themselves with the NAM, Philippines and Thailand called for compliance with UNSCRs and for Iran to address the "alleged studies," which Thailand cited as a "matter of serious concern" in the DG's report. Philippines also thanked DDG Heinonen for the technical briefing and called for implementation of the AP. However, Thailand was more tepid in agreeing with the NAM that all work plan issues were no longer outstanding and hoped that safeguards could be implemented in a routine manner.

South Africa Complains About UNSCR 1803

¶17. (SBU) South Africa also referred to significant progress on the work plan with the exception of the alleged studies. South African Governor Minty underscored that it was "imperative for" Iran to work with the Agency to clarify the "serious allegations" that remain. South Africa further expressed concern that the Secretariat was unable to give assurances as to undeclared nuclear activities. The rest of South Africa's statement was an apology to the NAM for its

vote on UNSCR 1803, and apparently a reprise of its explanation of vote in New York. Characterizing 1803 as "a punitive resolution," Minty underlined reservations that the Security Council could undermine the IAEA process and had not postponed the vote to take account of DG's statement to the Board, arguing that the Security Council should reflect IAEA developments. Minty said that South Africa only voted in favor of UNSCR 1803 to preserve the previous decisions of the Council. South Africa called on Iran to implement the AP but cautioned that suspension of proliferation sensitive activities was a confidence building measure, not "a goal in itself" or a cover for indefinite suspension that would unravel the NPT. Minty also criticized unnecessary rhetoric on the part of some Board members that could further inflame the Middle East and concluded with a plea to "give peace a chance."

¶18. (SBU) Indonesia's intervention was much more tepid and made no mention of its abstention on UNSCR 1803. In line with other NAM delegations, Indonesia welcomed Iran's cooperation and the conclusion of all six outstanding issues but also called for states to support the DG on "remaining issues."

NAM Seeks to Exonerate Iran

¶19. (C) The NAM statement delivered by Cuba was clearly written by Iran. The Cuban PR began by noting that during the DG's January trip to Tehran, the Iranian leadership denied ever having a nuclear weapons program. After repeating 2006 Havana Summit language, the statement praised

Iran's "proactive cooperation" with the IAEA and noted with satisfaction the resolution of all six work plan issues ahead of schedule. The NAM expected safeguards in Iran would be conducted in a "routine manner." The NAM also criticized the Secretariat's technical brief emphasizing the work of the

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Board should only be based on "official, credible, verifiable, factual, and timely information." The only mention of "alleged studies," inserted at the insistence of South Africa, is a quote from the DG's report that "the Agency has not detected use of nuclear material in connection with the studies or had any credible information in this regard." Several NAM delegations, including Malaysia, Egypt and Algeria also cited this quote in their national statements. During reportedly contentious NAM deliberations on the statement, South Africa objected to the statement's inattention to weaponization, while Pakistan and others sought to exclude this issue.

¶20. (C) In its national statement, Cuba was even more laudatory of Iran's cooperation on the work plan and the "heartening" progress in meeting the international community's expectations. Cuba called upon the Board to adopt an unequivocal resolution reverting the Iran issue to Vienna, and questioned the motivations of those who had attempted to pursue a Board resolution that would undercut Iran's cooperation with the Secretariat. Venezuela focused its ire in rejecting UNSCR 1803, which it dismissed as a media show and "war mongering," and also called for general disarmament by nuclear weapons states that are demanding Iranian compliance.

¶21. (C) A number of NAM delegations cast doubt on the "alleged studies" information. Cuba condemned the "boastful hullabaloo" of some Board members after the Secretariat's technical briefing and reminded the Board of the spurious intelligence that had led to the Iraq war. Without citing the briefing, Malaysia underlined the need for verifiable and credible information and criticized undue interference with the work of the Secretariat. Venezuela observed that the "alleged plans" had not been authenticated by the Board. Algeria noted that the IAEA had not been authorized to share "alleged studies" documentation with Iran until the eve of the Board.

¶22. (C) Seven NAM Board members, Nigeria, Ethiopia, Ghana, Saudi Arabia, Morocco and Pakistan, did not speak. India's short statement focused on the IAEA's investigation of the AQ Khan network in providing the U-metal hemispheres document.

India called for further inquiry on the "supply side" of proliferation, not just the end use of nuclear technology. The statement made little mention of the Iran issue beyond welcoming work plan progress and calling on states to abide by their obligations.

Arab Delegations

¶23. (SBU) Arab states (Egypt, Syria, Algeria and Iraq) similarly highlighted the resolution of outstanding issues though Egypt and Iraq urged Iran's continued cooperation in clarifying the "alleged studies." Iraq's statement was particularly forward-leaning in exhorting Iran to "respond positively" to Agency requests and to implement the AP, "in conformity with resolutions of the Board and international community." Iraq was also the only Arab delegation to call for suspension. All the Arab delegations, as well as

Malaysia, made their usual pitch for a Middle East WMD-free zone. Egypt, Syria and Malaysia drew direct parallels with the "unbalanced approach" toward Iran versus Israel; Venezuela also condemned the double standard.

Iran's Rejoinder

¶24. (SBU) Iranian Ambassador Soltanieh began his statement in a much more calm tone than in his intervention at the technical briefing, although he became worked up by the end of the soliloquy. His statement repeated now familiar Iranian positions since the release of the February Director General's report, that the DG has declared all work plan issues resolved, that Iran's cooperation is consistent with what it had done previously pursuant to the AP, and that the IAEA's understanding of Iran's program has become "clearer." He also argued that the "alleged studies" were not part of the work plan and thus are not an outstanding issue. Iran said it answered questions on this issue as a sign of good will and cooperation, but that the IAEA now had its "final assessment." He also argued that a "certain country" had not delivered documents until February 15 because that country was trying to prolong the "process." Soltanieh again called this "additional material" "new," and noted that it did not matter anyway since the work plan had already concluded when this "new" information was made available.

¶25. (SBU) Several of Soltanieh's arguments were especially stale, including that the reporting of Iran's file to the Security Council was politically-motivated, that the IAEA can certify Iran has not diverted any nuclear material, and that the EU-3 had failed to fulfill the promise to normalize Iran's file with the IAEA in exchange for cooperation. A significant part of the statement mirrored the theme of a press briefing Soltanieh gave on March 4 (ref b), in which he listed U.S. statements since 2003 that he qualified as "allegations" and then pulled quotes from DG reports that found Iran's explanations "consistent" with their information -- presumably trying to establish a pattern of "baseless allegations." (Comment: Soltanieh was quite belligerent with the journalists in the press briefing, which probably won him no friends or converts. End Comment.) Although he did not reiterate the entire list of "allegations," he mentioned the fabricated "Niger" documents from before the Iraq War. Soltanieh chose to respond to member-state comments about Iran's heavy water-related activities by arguing that Iran had chosen a heavy water reactor because this type works with natural uranium in contrast to light water reactors that require at least 20% enriched uranium. (Comment: This was an odd approach and seems to support the U.S. argument that Iran does not need an enrichment capability. End Comment)

Chair's Summary

¶26. (C) The Chair took a kitchen sink approach in compiling member state comments. His overly long summation put NAM statements on an equal footing with those of the like-minded on key points of compliance with UNSCR and Board decisions,

and further investigation of "alleged studies." The Chair even included Minty's comment on suspension not being a goal in itself, though South Africa was the only country to express this view. As a result, the Chair's Summary was not particularly useful or productive. (Note: Full text emailed to Department and available on govatom website. End note.)

U.S. Statement

¶27. (U) Begin text of U.S. statement:

Mr. Chairman,

Two days ago, the United Nations Security Council adopted a fourth resolution on Iran's nuclear program, the third imposing Chapter VII sanctions. This was not the action of one or two countries, as Iranian authorities assert. This was a resolution adopted by fourteen yes votes and one abstention. This was action taken by the world's principal body for maintaining international peace and security.

In Resolution 1803, the Security Council reinforced the authority of the IAEA and the role of this Board.

-- The resolution reaffirms that Iran shall without further delay take the steps required by the Board of Governors in February 2006, steps deemed essential to build confidence in the exclusively peaceful nature of Iran's nuclear program.

-- The resolution underscores the importance of the Additional Protocol and reiterates Iran's obligation to implement Code 3.1 of the Subsidiary Arrangement to its Safeguards Agreement.

-- The resolution emphasizes the need for Iran to answer all the questions that the IAEA asks so that the Agency, through implementation of required transparency measures, can verify correctness and completeness of Iran's declaration.

Mr. Chairman,

Resolution 1803 commends the IAEA for its efforts to resolve outstanding issues relating to Iran's nuclear program. The IAEA Board can join the Security Council in thanking the Director General and the Secretariat for their professional investigation and reports. The Director General's latest report is thorough and instructive. But on the core issue of whether Iran's program is exclusively peaceful, the report is quite troubling.

The report describes some progress in clarifying Iran's declarations. This is encouraging, though the information provided by Iran is long overdue and still to be verified. It is hard to be fully assured when some of the information provided by Iran is merely "not inconsistent with the data currently available to the Agency."

While Dr. ElBaradei has declared some issues "no longer outstanding at this stage," he has also reported that one major issue remains outstanding: indications that Iran has engaged in weapons-related activities. It is not surprising that Iranian authorities pushed this issue to the end of the work plan. It is not surprising that Iranian authorities now try to claim that this issue is not even part of the work plan.

It is not surprising because the information gathered by the Agency suggests the existence, not long ago, of a significant state-sponsored effort to develop nuclear weapons. This is an effort that would have further violated Iran's treaty obligations. This is an effort that Agency inspectors must fully verify has halted. This is an effort that Iran's leaders could choose to restart at any moment -- or hold in abeyance until their uranium enrichment capabilities are sufficiently advanced.

Mr. Chairman,

In January 2006, the Deputy Director General first told us of the Secretariat's concerns about Iranian activities with a "military nuclear dimension." In the Director General's latest report and last week's supporting technical briefing, the IAEA's very competent inspectors presented a troubling mosaic of weapon-related activities. These involve:

-- flow sheets for a uranium conversion process different from Iran's declared activities;

-- a document, whose origins are yet to be fully explained, describing the procedures for casting and machining of uranium metal into hemispheres;

-- testing of high voltage detonator firing equipment;

-- development of an exploding bridgewire detonator and the capability to fire multiple detonators simultaneously;

-- procurement of spark gaps, shock wave software, neutron sources, special steel parts, and radiation measurement

equipment;

-- training courses on neutron calculations, the effect of shock waves on metal, enrichment/isotope separation, and ballistic missiles;

-- schematics describing a Shahab-3 missile re-entry vehicle modified in a way that, in the judgment of the Agency, is "quite likely to be able to accommodate a nuclear device;" and

-- an explosive testing arrangement involving a 400-meter shaft and a firing capability 10 kilometers away.

Now, Mr. Chairman, I am not an engineer. But I suspect that technicians don't need to shelter themselves ten kilometers away to test conventional weapons . . . or automotive air bags. Instead, as the Director General reports, these various activities are "relevant to nuclear weapon research and development" and uranium metal hemispheres are "components of nuclear weapons."

The overall effort described by the Secretariat -- involving personnel and institutes throughout Iran -- strongly suggests an organized program conducted at the direction of Iran's leadership. This is consistent with our own National Intelligence Estimate, in which the U.S. Intelligence Community judged with high confidence that Iran was until late 2003 pursuing covert weapons-related activities including weapon design, weaponization, and secret uranium conversion and enrichment. Iran's refusal to disclose these activities is also consistent with the NIE's conclusion that, at a minimum, Iran is keeping open the option of developing a nuclear weapon.

Iran has dismissed much of this information as "baseless allegations" since the Agency first confronted Iran in December 2005. In some cases, as we were briefed, Iran admitted the activities, claiming that they were for non-nuclear purposes, but then refused to let the Secretariat verify these claims.

At last week's technical briefing, the Deputy Director General for Safeguards carefully explained how the information had been assembled over a period of years from multiple member states and the Agency's own investigation. He carefully explained the administrative connections between the activities and the possible nexus to nuclear material. His elaboration on the details provided in the Director General's report graphically illustrates why the Board cannot accept Iran's claim of "baseless allegations" as Iran's final answer.

The Deputy Director General for Safeguards was very careful not to draw conclusions on the basis of this information. However, he made two important points. First, the Secretariat was NOT prepared to conclude that these were

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"baseless allegations." Second, the Secretariat cannot make progress in verifying the peaceful nature of Iran's nuclear activities until Iran clarifies these indications of

weapons-related work.

The IAEA's investigations must continue. The IAEA needs to understand Iran's past weapons-related work to have confidence in verifying its current declarations. And, the IAEA needs to understand Iran's past weapons-related work so it can better detect - and thereby, we hope, deter - a resumption of those activities.

Mr. Chairman,

We all want to see progress. Unfortunately, the main progress reported by Dr. ElBaradei relates to Iran's uranium enrichment program. Suspension of these activities, as well as work on a heavy water reactor, is a legally binding requirement of the UN Security Council, reaffirmed on Monday

by Resolution 1803. And, as we know, producing fissile material -- whether highly enriched uranium or weapons-usable plutonium -- is the most difficult and time-consuming aspect of a nuclear weapons program. Iran's continued operation of existing centrifuges and its development and testing of advanced centrifuges constitute a continuing and deepening violation of UN Security Council resolutions and the calls of this Board.

These violations are yet another reason for international mistrust in the nature of Iran's nuclear activities and the intentions of its leadership, particularly since there is no technical need for Iran to have an enrichment capability -- or, for that matter, a heavy water reactor -- in order to enjoy the peaceful uses of nuclear energy. Iran's insistence on developing an enrichment capability and building a heavy water reactor, despite any obvious civil requirement, is particularly worrisome combined with indications of past weapons-related work.

Mr. Chairman,

In September 2005, this Board found Iran in noncompliance with its safeguards obligations under the Nonproliferation Treaty. In February 2006, the Board reported Iran to the Security Council, first for its noncompliance, and second, because the absence of confidence about the nature of Iran's nuclear program gave rise to questions within the competence of the Security Council, as the organ bearing the main responsibility for maintenance of international peace and security.

Despite some progress in clarifying outstanding issues, the troubling questions that remain about weapons-related work -- combined with Iran's failure to take confidence-building measures required by the Board and Security Council -- show the continued validity of the Board's decisions. These troubling questions and continued violations explain why Iran's nuclear program must remain on the agenda of both the Security Council and this Board.

Mr. Chairman,

The United Nations has shown its justified concern about Iran's nuclear activities through four resolutions by the UN Security Council, three imposing sanctions. Monday's resolution, like those before it, shows the world's continued desire to achieve a diplomatic solution through a dual-track strategy. This dual-track strategy of backing diplomacy with sanctions while offering negotiations was reaffirmed in the Statement by the Foreign Ministers of China, France, Germany, Russia, the United Kingdom, and the United States released on Monday in conjunction with Resolution 1803.

The dual-track strategy presents Iran's leaders with a path forward that would provide the people of Iran with the international respect, civil nuclear technology, and economic benefits that they deserve.

This path is not hard to find. Iran's leaders can start down this path by fully disclosing Iran's weapons-related work and allowing the IAEA inspectors to verify it has ceased. Iran's leaders can start down the path by taking the confidence-building measures set out by the Board and the

Security Council.

Other countries have gone down this path. Iran can too.

Mr. Chairman,

Resolution 1803 reaffirms the Board's responsibility to confirm when Iran has fully met the requirements we established two years ago for Iran to regain international confidence in the peaceful nature of its program. The Director General's report shows why we cannot make this determination today.

Iran's leaders say that they do not have a nuclear weapons program. To give the world confidence that this is true, we call on them to fully disclose past and present activities and to suspend those that are not necessary for a civil program but that are necessary to build a nuclear weapon. Only then can the Board exercise its responsibility. Only then can verification of Iran's nuclear activities be considered routine.

Until then, Iran's nuclear file remains open, and IAEA inspectors must continue their investigation.

Thank you, Mr. Chairman.

End text
SCHULTE